In-Home Supportive Services (IHSS)

Assembly Budget Subcommittee #1 Senate Budget Subcommittee #3

February 2022

California Department of Social Services

Director: Kim Johnson

Chief Deputy Director: Claire Ramsey

Acting Deputy Director of Adult Programs Division: Leora Filosena





IHSS Program Overview

- Serves income-eligible aged (individuals 65 and older), blind, and/or disabled.
- Allows recipients to remain safely in their own homes/communities to avoid costly institutionalization.
- Offers recipient directed services where the recipient selects, hires, and manages provider.



IHSS Funding

- 99.27% of the IHSS caseload receives federal financial participation (FFP):
 - 49.03% of the recipients are in either the Personal Care Services Program (PCSP) or the IHSS Plus Option (IPO) and receive 50% FFP.
 - 47.38% of the recipients are in Community First Choice Option (CFCO) and receive 56% FFP.
 - 2.87% of the recipients receive services as a result of the Patient Protection and Affordable Care Act expansion and receives 90% FFP.
- 0.73% of the IHSS caseload receives only state-and-county funding through the IHSS Residual (IHSS-R) program.

Paid Cases and Hours Projection

- FY 2021/22: An estimated 583,083 IHSS recipients will be provided an average of 118.1 paid hours per month at an average monthly cost of \$2,115.72.
- FY 2022/23: An estimated 598,835 IHSS recipients will be provided an average of 119.6 paid hours per month at an average monthly cost of \$2,199.20.

IHSS Budget by Fund Source (In Billions)

	FY 14/15	FY 15/16	FY 16/17	FY 17/18	FY 18/19	FY 19/20	FY 20/21	FY 21/22	FY 22/23
Federal (Reimb.)	\$4.3	\$5.8	\$7.2	\$7.3	\$6.0	\$7.2	\$9.3	\$10.3	\$10.2
State	\$2.2	\$3.0	\$3.5	\$3.1	\$3.8	\$4.5	\$4.4	\$4.9**	\$6.5
County	\$1.0	\$1.1	\$1.1	\$1.2	\$1.8	\$1.6	\$1.7	\$1.8	\$1.8
Total*	\$7.5	\$9.8	\$11.8	\$11.5	\$11.6	\$13.3	\$15.3	\$16.9	\$18.5

^{*}Totals may not add due to rounding.

^{**}Does not include \$288 Million GF for Long Term Career Pathways and \$275 million TF (\$137.5 million GF) for IHSS Care Economy Payments



County IHSS MOE

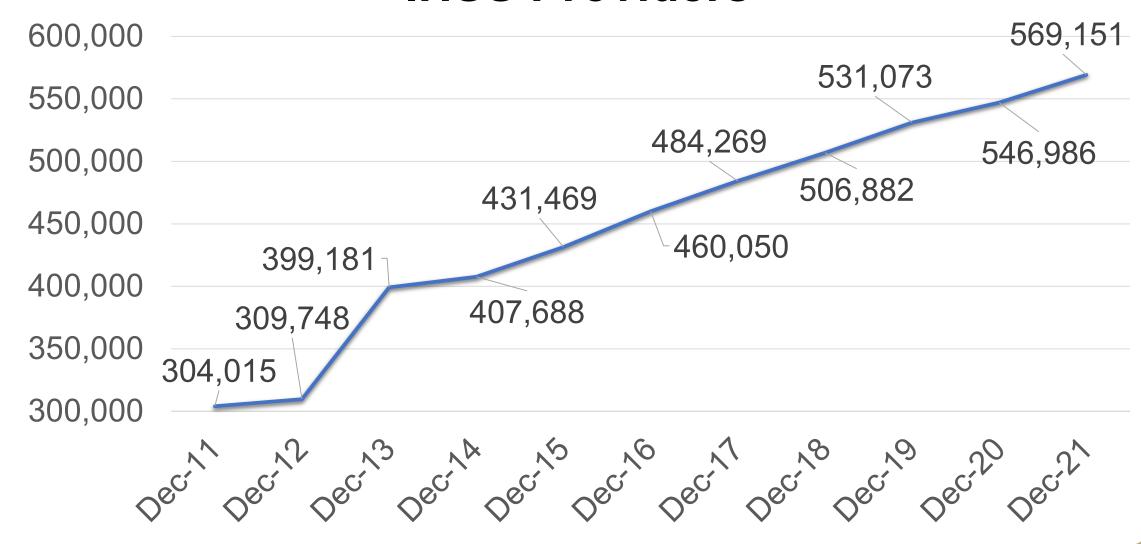
County IHSS MOE of \$1.8 Billion for FY 2021/22:

- Allocation of State General Fund for IHSS County and PA Administration with no county share up to the allocation and 100% county cost for nonfederal share of any expenditures above the allocation.
- Annual inflation factor of 4%.

IHSS Recipients (Authorized Cases)



IHSS Providers



Medi-Cal Asset Limit Repeal

Pursuant to Assembly Bill 133, beginning July 2022, asset limits for non-Modified Adjusted Gross Income (MAGI) programs will rise to \$130,000 and it will fully eliminate the asset test by January 2024.

Anticipated Outcome: Increase of IHSS caseload due to the newly eligible non-MAGI individuals who were previously denied Medi-Cal because of excess assets and resources.

Funding in Governor's Budget for FY 2022/23:

- \$148.6 million TF (\$67.3 million GF) for Services
- \$5.5 million TF (\$2.8 million GF) for Admin





COVID-19 Temporary Federal Medical Assistance Percentage (FMAP) Enhancement

A 6.2% increase in the FMAP reimbursement rate for federally eligible Title XIX service expenditures was provided retroactively from January 1, 2020, and is budgeted through June 30, 2022.

IHSS Programs	FMAP Pre-January 1, 2020	Temporary FMAP Enhancement Jan. 1, 2020 to June 30, 2022
PCSP and IPO	50%	56.2%
CFCO	56%	62.2%
ACA Eligible	90%	95.0%

The enhanced FMAP rate was previously set to expire on December 31, 2021. As a result of this extension, the projected GF savings in FY 2021-22 have increased from \$463.5 million to \$940.1 million.

IHSS COVID-19 Response Temporary Funds: Emergency Back-up Provider System

- Emergency Back-up Provider System County Support: enables counties to find back-up providers for IHSS recipients whose providers are unavailable due to COVID-19.
 - FY 2020-21: \$15.7 Million (\$8.0 Million GF)
 - FY 2021-22: \$7.6 Million (\$3.8 Million GF)
 - <u>Back-Up Provider Wage Differential</u>: provides services funding for premium wages paid to back-up providers who are utilized when an IHSS recipient's provider is unavailable due to COVID-19.
 - FY 2020-21: \$6.7 Million (\$2.6 Million GF)
 - FY 2021-22: \$3.3 Million (\$1.3 Million GF)

IHSS COVID-19 Response Emergency Back-Up Provider System

The system provided supplemental pay to providers who stepped in as a back up provider when a recipient's provider called in sick.

- From April 2020 to December 2020, recipients received 314,791 hours of service through this Back-up Provider Program.
- From January 2021 to December 2021, recipients received 631,702 hours of service through this Back-up Provider Program.

The Governor's Proposed Budget for FY 2022-23 includes funding for a permanent back-up provider system.

IHSS COVID-19 Response Essential Protective Gear/Personal Protective Equipment

Included in the Emergency Back-up Provider funding is funding that CDSS allocated to provide IHSS providers and recipients with Essential Protective Gear (EPG)/Personal Protective Equipment (PPE) as follows:

- FY 2020/21:
 - 1,007,724 pairs of gloves and 167,507 masks distributed to Recipients.
 - 4,057,860 pairs of gloves and 689,955 masks distributed to Providers.
- FY 2021/22 (through December 2021):
 - 516,853 pairs of gloves and 134,224 masks distributed to Recipients.
 - 1,471,322 pairs of gloves and 394,200 masks distributed to Providers.

CDSS will continue to provide EPG/PPE to counties for IHSS providers and recipients through June 30, 2022, as budgeted.

IHSS COVID-19 Response Temporary Funds: Recipient Vaccination

Implemented retroactively from January 1, 2021, through December 31, 2021:

- Recipient Vaccination Services: provides funding for medical accompaniment, if required by the recipient, to get COVID-19 vaccinations. The medical accompaniment time will be up to 2.0 hours per vaccination.
 - FY 2020-21: \$4.3 Million (\$1.5 Million GF)
 - FY 2021-22: \$6.9 Million (\$2.2 Million GF)
 - Recipient Vaccination Administration: costs include the cost of the additional time for county staff to answer questions and process claims.
 - FY 2020-21: \$4.8 Million (\$2.4 Million GF)
 - FY 2021-22: \$4.4 Million (\$2.2 Million GF)

IHSS COVID-19 Response Temporary Funds: State Emergency Paid Sick Leave

State Emergency Paid Sick Leave: Senate Bill 95 provided additional hours (up to 80 hours) of paid sick leave for IHSS providers if they are unable to work due to COVID-19. Providers are also be able to claim emergency paid sick leave for their vaccinations.

- FY 2020-21: \$41.8 Million (\$15.6 Million GF)
- FY 2021-22: \$10.6 Million (\$3.5 Million GF)

7,520 providers claimed 211,207.1 hours of Emergency Paid Sick Leave which was available from January 1, 2021 through September 30, 2021. Current proposed legislation will extend this benefit through September 30, 2022.

IHSS COVID-19 Response Care Economy Payments

Pursuant to American Rescue Plan Act of 2021, Section 9817, a one-time incentive payment to IHSS providers was sent to each current IHSS provider that provided IHSS to program recipient(s) during the COVID-19 Public Health Emergency.

Payments are funded as part of the federal Home and Community-Based Services (HCBS) funds, subject to federal approval and state Executive Order, to help relieve provider staffing challenges experienced during the pandemic.

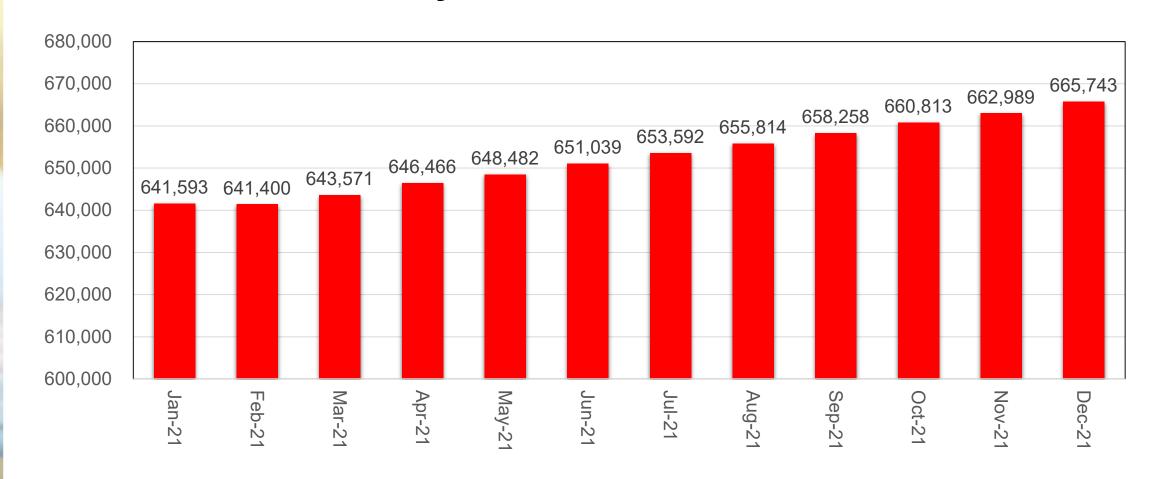
• FY 2021-22: \$274.6 million TF (\$137.3 million GF)

IHSS COVID-19 Response Continuous Coverage Requirement

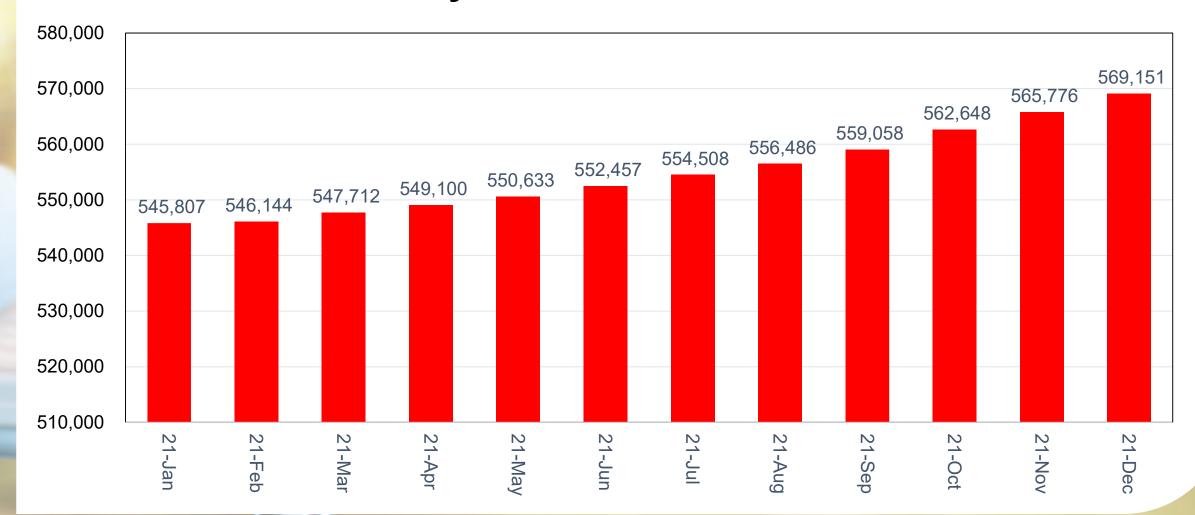
The 2022-23 Governor's Budget reflects GF savings of \$90.1 million in FY 2021-22 captured by pausing Medi-Cal redeterminations to prevent cases from shifting to the non-federally funded IHSS Residual program.

The delay of Medi-Cal redetermination was previously set to expire on December 31, 2021, but is assumed to be extended through June 30, 2022.

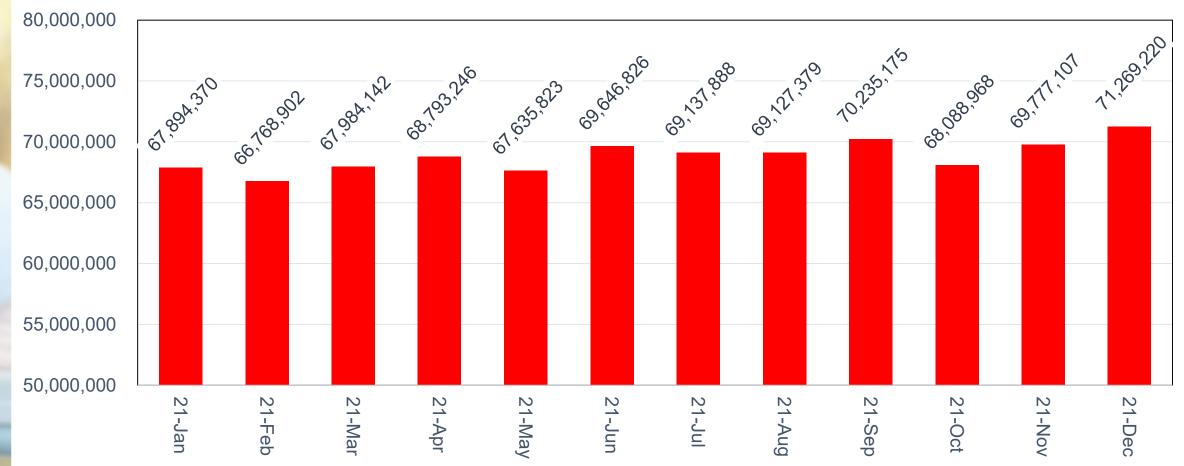
Authorized IHSS Cases (Recipients) January 2021 to December 2021



IHSS Providers (Active or Leave) January 2021 to December 2021



Paid IHSS Service Hours January 2021 to December 2021



IHSS Permanent Provider Back-up System, Long-Term Career Pathways, & Medi-Cal Expansion

IHSS Permanent Back-Up Provider System

The Governor's Proposed Budget for FY 2022-23 includes \$24.8 million TF (\$11.2 million GF) to establish an IHSS permanent back-up provider system to avoid disruptions to caregiving due to an immediate need or emergencies.

- \$19.8 million TF (\$8.7 million GF) for Services
- \$2.6 million TF (\$1.3 million GF) for County Admin
- \$2.4 million TF (\$1.2 million GF) for Public Authority Admin

Long-Term Career Pathways

Pursuant to WIC Section 12316.1, the Career Pathways Program will be developed and administered for providers of IHSS or WPCS, to increase the quality of care, recruitment and retention of providers for recipients and to provide training opportunities for career advancement in the home care and health care industries.

Duration: September 1, 2022 – March 31, 2024

<u>Funding</u>: FY 21-22: One-time \$288 million GF available over multiple years to incentivize, support, and fund career pathways for IHSS providers, allowing these workers to build on their experience to obtain a higher-level job in the home care and/or health care industry. Payments are funded as part of the federal Home and Community-Based Services (HCBS) funds, subject to federal approval and state Executive Order.

Long-Term Career Pathways Topics

Selection of pathways topics: Stakeholder Meetings in July and September 2021 with representation from the California Association of Public Authorities, the County Welfare Directors Association, the California State Association of Counties, and the Unions attended.

Five Available Pathways:

Category 1	Category 2
General Pathways:General Health and Safety for CaregiversAdult Education	 Specialized Pathways: Cognitive Impairments and Behavioral Health Complex Physical Care Needs Transitioning into In-Home Care

The trainings will be available in multiple languages and offered/conducted in-person and online. The online trainings will include live and pre-recorded sessions.

Long-Term Career Pathways Goals & Provider Retention

Goals: To offer skill building, professional development, personal growth, and promote a competent, stable and diverse workforce to improve access, equity and quality.

The program will not offer an academic degree or professional licensing. Providers will receive certificates of completion for all courses which can be added to resumes and/or applications but cannot be used as a license or certificate of profession.

Provider Retention: Incentive Payments

- 1) A provider who completes 15 hours of course work in a specialized skills career pathway, and subsequently begins working for a recipient who needs that type of specialized care, and has provided 40 hours of care to that recipient in the first month of service.
- 2) A provider successfully completes 15 hours of course work for a specialized skills career pathway, subsequently begins working for a recipient who needs that type of specialized care and has provided 40 hours of care to that recipient per month for at least 6 months.

Long-Term Career Pathways Anticipated Outcomes

IHSS and WPCS recipients will:

- Receive increased quality of care from provider's who will have built upon their knowledge and skills
- Meaningful communication between recipients and their providers
- Improved care outcomes

Long-Term Career Pathways RFP and Initiative Listening Sessions

A Request for Proposal (RFP) will be available for competitive bidding in March 2022. The proposals will outline each training vendor's proposed curriculum.

Initiative Listening Sessions:

- December 15, 2021
- January 26, 2022

Submit questions to IHSSCareerPathways@dss.ca.gov

Medi-Cal Expansion to Undocumented 50 and Older

Governor's Budget includes funding for expanding IHSS services to individuals who are 50 years old or older regardless of immigration status for FY 2022/23:

- \$68.5 million GF for Services
- \$2.6 million GF for County Admin

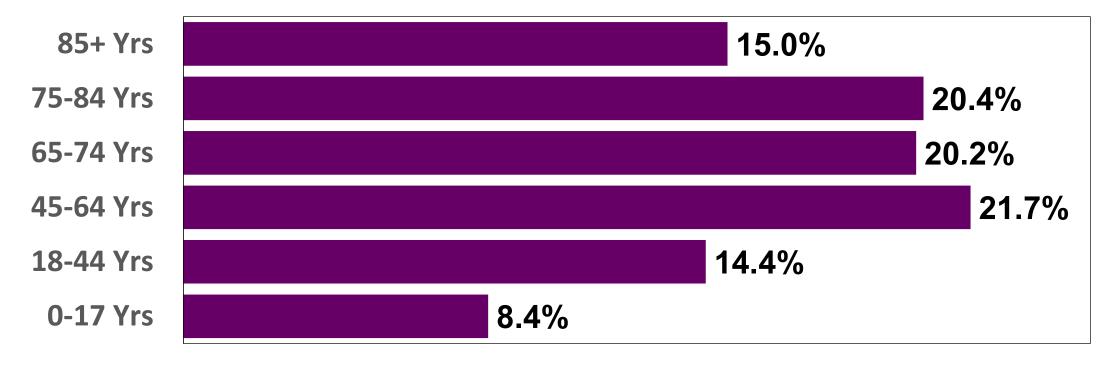
Implements May 2022 but there will be no fiscal impact until FY 2022-23 due to implementation lags.

IHSS Recipient and Provider Demographics



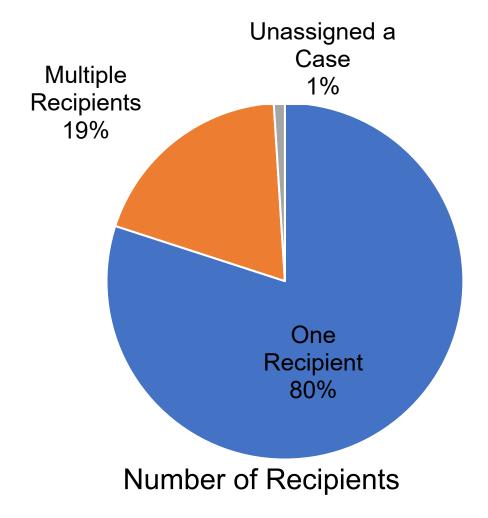
IHSS Recipients: Age Groups

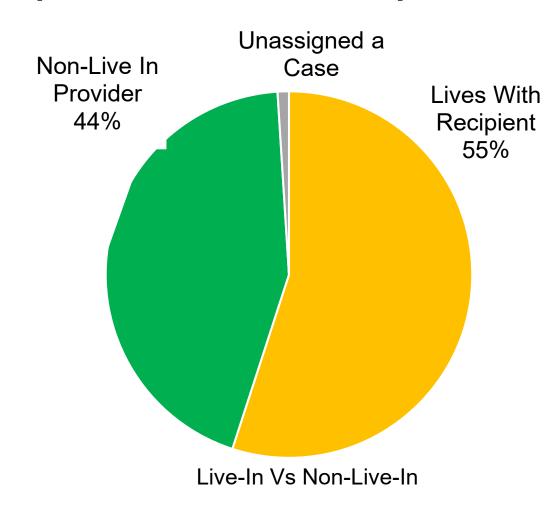
December 2021



Age Groups	0-17 Yrs	18-44 Yrs	45-64 Yrs	65-74 Yrs	75-84 Yrs	85+ Yrs
Recipients	55,948	95,689	144,416	134,370	135,706	99,614

IHSS Providers (December 2021)





Current IHSS Providers 569,151

IHSS Relative Providers (December 2021)

Providers Who Are Relatives of the Recipients	December 2021 Snapshot	% of Current Providers	
Spouse or Domestic Partner	26,474	4.7%	
Parent Providers	107,752	18.9%	
Adult Child	187,562	33.0%	
Minor Child	541	0.1%	
Other Relative	96,416	17.0%	
Total Relative Providers	405,724	71.3%	

Providers Paid in December 2021

- Total Providers paid: 525,034
- Providers working less than 40 hours per week: 366,871 (70%)
- Providers working between 40 and 66 hours per week: 106,848 (20%)
- Providers working more than 66 hours per week: 51,315 (10%)
 - Providers with exemptions and those that are a provider working for a single recipient with more than 264 authorized hours can work more than 66 hours per week.

Senate Bill (SB) 3 – Paid Sick Leave

The amount of paid sick leave earned is the full amount of leave each provider will receive for the year. Because of this, there will be no carryover of paid sick leave from year to year. Sick leave hours will be earned as follows:

- Beginning July 1, 2018 IHSS providers earn 8 hours of paid sick leave per year.
- Beginning July 1, 2020 IHSS Providers earn 16 hours of paid sick leave per year.
- Beginning January 1, 2022 IHSS Providers earn 24 hours of paid sick leave per year.

Sick Leave Claims

Monthly Average	FY 18/19	FY 19/20	FY 20/21	FY 21/22*
Providers Claiming Sick Leave	5,726	7,166	13,818	18,776
Percentage of Eligible				
Providers	1.1%	1.4%	2.5%	3.3%
Sick Leave Hours Claimed	41,263	52,066	142,937	238,303
Average Sick Leave Hours				
Paid per Provider	7.2	7.3	10.4	12

^{*} Data available from July to December.

Electronic Visit Verification (EVV) In-Home Supportive Services (IHSS) &

Waiver Personal Care Services (WPCS)



EVV Background

The 2016 Federal 21st Century Cures Act requires use of an Electronic Visit Verification (EVV) system for Medicaid-funded personal care services and home health care services. The EVV system electronically collects and verifies:

- Date of service
- Individual receiving service
- Individual providing service End Time
- Type of service performed

- Location of service
- Start time

EVV was fully implemented for IHSS as of December 2020; however, CDSS received additional direction from Center for Medical and Medicare Services' (CMS) requiring electronic capture of the provider's location at the start and end of each work day.

Meeting CMS EVV Requirements

In order to fully comply with the CMS direction that CDSS electronically capture the location at the start time and end time of each service day for all non live-in providers, the current Electronic Service Portal (ESP) system is being modified to electronically capture the provider's location when they log in and check-in or check-out at the beginning and end of their work day.

CMS allowed live-in providers to be excluded from this EVV requirement. As of December 2021, 55% of providers are live-in providers.

Until IHSS is in full compliance and receive CMS approval, a 0.5 percent FMAP reduction penalty was applied in CY 2021 and a 0.75 percent will be applied in CY 2022. The reduction for CY 2023 in FMAP is 1.0 percent.

EVV Funding

EVV Penalty

The 2022/23 Governor's Budget includes \$42.3 million GF in FY 2021/22. It
also includes \$27.5 million GF to cover the first half of FY 2022/23 to pay
federal penalties in the form of FMAP reduction due the delayed implementation
of EVV.

EVV County Administration

• The 2022/23 Governor's Budget includes \$12.7 million TF (\$3.2 million GF) for EVV County Administration in FY 2021/22 and \$6.8 million TF (\$1.7 million GF) in FY 2022/23.



Direct Deposit Mandate

- Pursuant to WIC Section 12304.4, direct deposit using a bank account or pay card was required for all IHSS providers effective July 1, 2021; however, due to COVID-19 implementation was moved to July 1, 2022.
- In January 2021, CDSS executed contracts with five vendors to support use of payroll cards for providers that prefer payroll cards instead of direct deposit.
- As of mid-January 2022, 77% of providers are receiving payment through direct deposit.

Direct Deposit: Provider Outreach

The provider outreach schedule is as follows:

- July 2021: Outreach notices sent to all IHSS providers not yet enrolled in a direct deposit option on the mandate and instructions on how to enroll for direct deposit manually or using a bank account or pay card on the IHSS ESP.
- February, April, and June 2022: Outreach notices will be sent to providers not yet enrolled in a direct deposit option with reminder of the mandate, including details on how to enroll.
- July 2022: Outreach notices will be sent to providers who have not yet enrolled in a direct deposit option informing them of their overdue status.

The IHSS Service Desk number is included in all outreach notices to assist providers with questions about direct deposit.

Master Plan for Aging and Adult Programs



Master Plan for Aging SSI/SSP and CAPI

The Master Plan for Aging was released by the California Department for Aging in January 2021. The following recommendations pertain to CDSS Adult Programs:

SSI/SSP and CAPI:

 Consistent with the Budget Act of 2018, begin to bring older adult basic income (Supplemental Security Income/State Supplementary Payment and Cash Assistance Program for Immigrants) up to meet Elder Economic Index and Federal Poverty Level, as funding is made available.

Master Plan for Aging IHSS

IHSS:

- Explore opportunities to increase stability for IHSS beneficiaries through back-up provider systems and registries.
- Seek stakeholder feedback on models of care coordination for IHSS participants with dementia or cognitive impairment.
- Consider expanding online training platforms for direct care workers –
 including opportunities for dementia training for IHSS family caregivers
 seeking a career ladder and more to meet need as funding is made
 available.
- Assess IHSS plus Housing models.

Master Plan for Aging APS

APS:

- Create a statewide California Elder Justice Council to increase coordination and develop recommendations to prevent and address elder abuse, neglect, exploitation, and fraud, including consideration of particular COVID-19 risks and of the 28 recommendations from the Elder Justice Coalition.
- Review roles of Licensing, Long Term Care Ombudsmen, and Adult Protective Services and the experiences in other states to prevent and address abuse and neglect in long-term care facilities.

Master Plan for Aging APS (Cont.)

APS (Continued from previous slide):

- Assess Adult Protective Services' capacity, age of people served, and services provided, especially for complex cases, given growing and changing needs.
- Expand older homelessness programs, such as HomeSafe (APS) and Housing and Disability Advocacy Program (HDAP/SSI), to meet needs as funds allow.